

BUMDes Development in Limitations of Village and Resources Potential Study at BUMDes Desa Panggunharjo, Bantul, Yogyakarta

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Abstract: This study takes one of the BUMDes in Bantul Regency, namely BUMDes Panggunharjo in Sewon District, Bantul. BUMDes Panggunharjo is a BUMDes that does not have natural resources, so it is more oriented to the development of the creative economy, the problem is how to optimize human resources so that the Panggun Harjo community can develop. This research method uses a descriptive approach to qualitative methods. The purpose of this study was to determine the strategies used in the development of BUMDes optimization and effectiveness. The results of the study showed that with shortcomings, BUMDes Panggunharjo was able to become the largest BUMDes in Bantul Regency, and could be said to be the largest in DIY Province.

1 INTRODUCTION

According to RI Law No. 23 of 2014 concerning Regional Government, regional autonomy is the right, authority, and obligation of autonomous regions to self-regulate and administer Government Affairs and the interests of local communities in the system of the Unitary State of the Republic of Indonesia. So that regional development is the basis of state development. Regional autonomy makes it easy for local

governments to regulate their own regions, know the potential of their regions, and what supports the regions to develop.

Supported by the existence of village funds regulated in Republic of Indonesia Government Regulation No. 60 of 2014 concerning Village Funds Sourced from the State Revenue and Expenditure Budget where village funds are funds sourced from the State Revenue and Expenditure Budget intended for villages that are transferred through the Revenue and Expenditure Budget District/city area and is used to finance governance, development, community development, and community empowerment. Then followed by the Regulation of the Minister of Villages, Development of Disadvantaged Regions and Transmigration Number 4 of 2015 concerning Establishment, Management, Management, and

Dissolution of Village-Owned Enterprises, where several BUMDes objectives are to improve the village economy, optimize village assets, and open employment for welfare village community, the formation of BUMDes must be done.

Also stated in the Law of the Republic of Indonesia NO. 6 of 2014 concerning Villages, each village is mandated to make BUMDes with the aim that later when the village funds are no longer given, these BUMDes are expected to be able to build village independence in exploring the sources of original village income that are managed into PADes. The local government of the Bantul Regency is one of the regions that is being intensively involved in the establishment and development of BUMDes. There are approximately 26 BUMDes in Bantul. It is divided into three categories, namely start-up, developing, and going forward. Start-up is constrained by how they find BUMDes managers who have the ability, Develops more on how to manage management, how to organize internal management. Going forward to how the profit obtained is to reinvest.

This study took one of the BUMDes, namely BUMDes Panggunharjo in Sewon, Bantul. It included in sub-urban areas, where the location is on the border between municipalities and districts so that the character of poverty is homeless and loneless

because poor people in suburban areas do not have a home. BUMDes is not only seen as profit but also must look at the benefits that will be obtained by the community when this BUMDes exists and is progressing. BUMDes Panggungharjo includes those who do not have natural resources, so they are more oriented to the development of the creative economy, and how to optimize existing human or community resources or with community empowerment. However, from the lack there is BUMDes Panggungharjo, becoming the largest BUMDes in Bantul, and can be said to be the largest in DIY Province. Because of this, the purpose of this study was to find out 1) the strategy used in developing the BUMDes, 2) the effectiveness of the strategy that was used.

2 MATERIAL

2.1 Badan Usaha Milik Desa (BUMDes)

Definition of BUMDES or Village-Owned Enterprises, according to Permendagri No. 39 of 2010 concerning BUMDES, is a village business formed/established by the village government whose capital ownership and management are carried out by the village government and the community. Village-Owned Enterprises (BUMDES) are village business institutions managed by the community and village government in an effort to strengthen the village economy and are formed based on the needs and potential of the village. According to Law Number 32 of 2004 concerning the Regional Government, the establishment of a business entity is in accordance with the potential and needs of the village. It is also explained in Government Regulation Number 72 of 2005 concerning Villages that in order to increase the income of the village and the community, the village government can establish a Village-Owned Enterprise village potential. This means that the formation of BUMDES is based on the needs, potential, and capacity of villages, as an effort to improve the welfare of the community. The planning and formation of BUMDES is at the initiative of the village community

Village development can be increased through developing the economic potential of the village and becoming a forum for rural communities to develop themselves and their environment independently and in a participatory manner. In this research, the existence of BUMDes is one of the considerations to channel village community initiatives, develop

village potential, manage and exploit the potential of village natural resources, optimize human resources (villagers) in its management, and there is capital inclusion from village governments in the form of financing and village wealth that submitted to be managed as part of BUMDes.

Regard to small businesses, there are some special characteristics of small businesses, as stated by Sutojo et al. (1994) in Baswir (2000):

1. More than half of small companies are established as the development of smaller businesses.
2. Apart from capital problems, other problems related to small businesses vary according to the level of business development.
3. Most small businesses are unable to meet administrative requirements in order to obtain bank assistance.
4. Nearly 60% of small businesses still use traditional technology.
5. Nearly half of small companies only use installed capacity of less than 60%
6. Small business market share is decreasing due to lack of capital, technology, and technology weaknesses are also due to managerial weaknesses.
7. Nearly 70% of small businesses do direct marketing to consumers.

2.2 Community Empowerment

Empowerment is an effort to build community capacity by encouraging, motivating, and increasing awareness of their potential and trying to develop potential into concrete actions (Eddy Papilaya in Zubaedi, 2007). Community empowerment can be realized through active community participation, facilitated by the existence of empowerment actors. The main target of community empowerment is those who are weak and do not have the power, strength, or ability to access productive resources or people who are marginalized in development. The ultimate goal of the community empowerment process is to make the community members independent so that they can improve the family's standard of living and optimize the resources they have (Kesi Widjajanti, 2011). Besides that, according to Kussujaniatun and Kismantoroaji (2017), social interaction is an important influence in community empowerment, this is obtained from the large collaboration between craftsmen and local governments that need to be maintained, interaction with partners in producing goods, interaction with suppliers in the availability of raw materials, interaction with brokers/agent in

marketing, and interaction with banking partners due to capital supply.

Kartasmita (1995) states that efforts to empower people must be made in three ways, namely:

1. Creating an atmosphere or climate that allows the potential of the community to develop. This condition is based on the assumption that every individual and society has potential that can be developed. The essence of independence and empowerment of the people is the belief and potential of independence of each individual who needs to be empowered.
2. Strengthening the potential or power possessed by the community by implementing concrete steps, accommodating various inputs, providing infrastructure, and good physical targets (irrigation, roads, and electricity) as well as social (schools and health service facilities) that can be accessed by the lowest strata of society. Establishing access to various opportunities will make people more empowered, such as the availability of funding, training, and marketing institutions. Quality improvement and improvement of education and health facilities, as well as access to sources of economic progress such as capital, technology, information, employment, and markets.
3. Empowering people in the sense of protecting and defending the interests of weak communities. Protecting and defending must be seen as an effort to prevent unequal competition and exploitation of the weak.

3 RESEARCH METHODS

This study uses a descriptive approach with a qualitative method located in BUMDes Panggungharjo, Panggungharjo Village, Sewon District, Bantul. Primary data obtained by interview structured questions and answers to BUMDes commissioners while secondary data obtained from the literature in the form of documents (village profiles), books, journals, and related data. Data analysis uses observation and documentation. The focus of the research are 1) The strategy used in the development of BUMDes, 2) The effectiveness of the strategy that has been used. Research results obtained using interactive analysis, namely data collection, data reduction, data presentation, and drawing conclusions.

4 DISCUSSION

Panggungharjo BUMDes was formed in 2013. The initial capital investment from the village was Rp. 37,000,000.00. For 2014 BUMDes capital investment of IDR 100,000,000.00, 2015 IDR 100,000,000.00, 2016 IDR 100,000,000.00 after 2016 until now BUMDes Panggungharjo no longer gets capital participation from the village government. Bantul BUMDes manages around 98 employees, with monthly salary needs of Rp 188,000,000.00, without any subsidy from the village government. There are five business units in BUMDes Panggungharjo, namely waste management, household waste management in the form of cooking oil and tamarind oil, village self-service, agro and agriculture, as well as education and culinary tourism in Kampung Mataraman. This village self-service is intended as a place for SMEs in Panggungharjo to sell their business results. The total turnover of 5 business units in Panggungharjo in 2018 is around Rp 5,200,000,000.00. The most income BUMDes Panggungharjo is from the Mataraman village unit, for rental costs per day of Rp. 18,000,000.00, in 2019, Mataraman Village is the location of FKY Jogja with a rental fee of Rp. 65,000,000.00 for 18 days, but BUMDes are given authority in the management of tenants participating in the FKY event.

BUMDes Panggungharjo, Bantul manages around 98 employees, from these 98 employees, BUMDes does not look at the level of education and social strata of these employees, the main requirement is that of Panggungharjo villagers, so that the benefits of BUMDes are immediately felt by local residents. The main thing about this BUMDes Panggungharjo is to provide employment for marginalized communities where the community is vulnerable to poverty, women heads of households, disabilities, and abandoned children who have been netted by social services so that they no longer return to the road. Of the 98 employees, there are 48 people in Mataraman Village, a salary from the junior staff of BUMDes Panggungharjo, which is Rp 1,850,000.00. The profit taken by BUMDes every year from turnover is 5-6% and gives PADes from income in 2018 of Rp 170,000,000.00. The profit from BUMDes Panggungharjo from each business unit is managed by BUMDes. Afterward, BUMDes compiles financial reports so that the profit and loss of BUMDes business units are known. This net profit sharing is 40% added to the additional PADes, 35% becomes return capital that becomes cash for next year's capital, 20% is a bonus for management, 5%

for BUMDes social activities such as for renovation of uninhabitable houses for the community.

BUMDes Panggunharjo is included in the developing BUMDes level, where the BUMDes is conducting internal management, such as related to BUMDes finance. Each business unit in BUMDes Panggunharjo is regulated by separate management because it is related to the revenue target of each business unit. The main business unit of BUMDes Panggunharjo is waste management which is related to waste which is the biggest problem in the entire world, how can this waste be a profit for the community. Garbage in Panggunharjo is divided into three parts, namely organic, inorganic, and residue. Inorganic waste has a sale value, and the waste is sold separately as a bottle of mineral water, it has been separated between the lid, the bottle and the mineral water label so that the selling price will also be different. From the sale of organic waste itself, the average monthly income is IDR 10,000,000.00. BUMDes Panggunharjo has collaborated with collectors. Organic waste is processed by BUMDes into liquid and solid fertilizer, sold in the form of products produced from fertilizer, BUMDes Panggunharjo produces rice under the name Bestari. For residual waste such as sanitary pads, pampers, BUMDes, Panggunharjo still cannot solve the problem. Residual waste is still being collected by the laystall. Desa Panggunharjo was given responsibility by Bantul Environmental Service to manage waste in 6 village markets, including Bantul Market.

Many BUMDes are not yet developed or even advanced, and it could be because these BUMDes are not ready to take care of capital, maintain, and develop the capital. The BUMDes management dilemma is that when BUMDes was formed, there was no clarity regarding salary, so there were still many who did not focus on its management.

BUMDes can be seen from three aspects, namely economic, social, and political aspects. Because one of the reasons BUMDes did not advance was due to doubts from the village head to make capital participation because the village head still had a chance to be reelected by the community, when the BUMDes was large the village head was afraid of the fame of his BUMDes director, fearing to be a competitor when village head elections are held.

5 CONCLUSION

BUMDes Panggunharjo, Sewon, Bantul are included in the good category and are modeled by other BUMDes in Bantul Regency. BUMDes must be managed professionally and independently, so we need people who have the competence to manage it. BUMDes can also finance itself and contribute to PADes. Before submitting capital investment to establish BUMDes, it is recommended to make a business plan. From the business plan, the business analysis will be formed, so that the actual capital needs will be known so that the BUMDes will go according to plan and the results will be effective so that it can become the largest BUMDes of Bantul Regency.

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